

# Bay Area Members of Congress Slam Bush Economic Plan

## Urge President to Jump-Start Economy Immediately

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Washington, DC – Today, U.S. Reps. Mike Honda (D – San Jose), Zoe Lofgren (D-San Jose), Anna Eshoo (D-Atherton), Pete Stark (D-Fremont), and Sam Farr (D-Carmel) issued a scathing assessment of President Bush's failed economic policies on the day of his visit to Santa Clara, Calif., in Rep. Honda's district, to pitch his \$550 billion tax cut. The Bay Area Members of Congress urged the President to bring real relief to the Bay Area by pursuing a targeted, fiscally responsible, economic stimulus plan to jump-start the economy and put people back to work immediately.

"President Bush says his proposed multi-billion dollar give-away to the wealthiest of Americans will boost the economy. But more than 400 economists, including Alan Greenspan, Chair of the Federal Reserve, do not believe his fuzzy math; they say this economic course would actually hurt the economy," said Rep. Honda. "I urge the President to be fiscally responsible, and pursue an immediate, targeted, stimulus program to get people back to work. We can not leave our unemployed Americans and their families embedded in a world of pain, despair, and hopelessness."

"Mr. President, California is hurting, Santa Clara County is hurting, and San Jose is hurting. There were lots of places you could have gone today to get a true sense of the stagnant economic conditions in California," said Rep. Lofgren. "But from inside the tinted windows of your limousine, I doubt you saw the unemployed, the empty office parks, and the 'Going out of Business' signs in Silicon Valley. Your same old tired tax schemes are not going to put Californian back to work. We deserve and demand better."

"We welcome President Bush to Silicon Valley and while he's here he should explain why saddling future generations with a \$12 trillion national debt is sound economic policy," said Rep. Eshoo. "Nearly a quarter of a million Californians have lost their jobs since the President took office, with not one getting a dime from the Bush Administration's irresponsible tax cuts."

"Any good economist would tell you that President Bush is peddling a big falsehood," said Rep. Stark, Ranking Member on the Joint Economic Committee. "Leveraging a huge tax cut for the rich against future economic growth won't pay off. It won't stimulate the economy and it certainly won't replace the 2.3 million jobs that have been lost since President Bush took office. It is simply false political rhetoric to disguise throwing money at the those who need it least at the expense of those who are out of work, kids who are losing out on quality education, and states like California that are being forced to cut vital programs."

"This is just too little too late," said Rep. Farr. "Here in California, we have been losing jobs at an alarming rate - and the President comes here to stump for his irresponsible tax cut? Californians should know his tax break proposal does nothing to encourage the creation of new jobs, it is merely a new variation on the same theme. It didn't work for Reagan, it didn't work for Bush I and it hasn't worked for Bush II. How many times will history have to repeat itself before we realize this type of economic policy just doesn't work?"

### FACTS:

- Since the beginning of 2001, the U.S. economy has lost 2.6 million private sector jobs.
- In Santa Clara County alone, there are more than 80,000 unemployed workers.
- The San Jose metro region has the highest unemployment rate, 8.6 percent, in the country for a region its size.
- The President's proposed tax cuts would eliminate \$1.183 billion in revenue for California, at a time that services are being slashed.
- More than 400 economists have stated that the President's plan will not create jobs or support small businesses, and actually harms the economy in the long-term.

- On April 30, 2003, Alan Greenspan, the chairman of the Federal Reserve Board stated that large tax cuts and the resulting budget deficits could be damaging to the economy.

- Job Losses: January 2002-February 2003

Compiled from BLS, Local Area Unemployment Statistics, not seasonally adjusted.

Jurisdiction

Jobs Lost

Percentage of Jobs Lost

Alameda County

-1300

-0.2

Marin County

-8455

-6.2

San Francisco (City & County)

-31347

-7.5

San Jose (City)

-78270

-15.4

Santa Clara (City)

-10473

-15.4

San Mateo County

-41585

-10.4

Santa Clara County

-154850

-15.4

Santa Cruz County

-430

-0.3